

1516 Ninth Street Sacramento, CA 95825-5512 800-822-6228 www.energy.ca.gov

## PROPOSED DECISION

GWF POWER SYSTEMS CO., INC., HANFORD ENERGY PARK APPICATION FOR SMALL POWER PLANT EXEMPTION, DOCKET NO. 00-SPPE-1

The California Energy Commission is the State agency granted exclusive authority to review and license proposals to construct and operate large electric power plants, including the authority to exempt proposals under 100 MW from our certification review. Proposals granted an exemption are subject to local permitting processes. On May 19, 2000, the GWF Power Systems Co., Inc. filed a proposal to construct a 98.7 MW power plant project near Hanford, California.

## **Project Description:**

The proposed Hanford Energy Park Project would be a 98.7 megawatt (MW) project. It would include a natural gas-fired, cogenerator with a combustion turbine generator (CTG) and a heat-recovery steam generator (HRSG), which would supply one steam turbine generator (STG). The Hanford Energy Park facilities would occupy approximately 10 acres and would be located adjacent to an existing GWF cogeneration power plant. The existing plant and adjacent site are located in the Kings Industrial Park on Idaho Avenue between 10th and 11th Avenues on the southern border of Hanford, California. The project is surrounded by other industrial uses, vacant property or agricultural uses.

It is the intent of the project to transmit power through a new 1.2-mile 115-kilovolt (kV) transmission line. The new transmission line would travel west along Idaho Avenue, then south along the east side of 11<sup>th</sup> Avenue to a new switchyard located on a one-acre parcel adjacent to the existing Henrietta-Kingsburg 115-kV line.

The natural gas fuel for the Hanford Energy Park Project would be supplied by a 16-inch-diameter pipeline along a 2.8-mile route. The gas pipeline would tie into the Southern California Gas Company's 400 transmission pipeline along Hanford-Armona Road.

The principal water supply source for the proposed Hanford Energy Park Project would be groundwater. GWF has a ground water supply well adjacent to the Hanford Energy Park site producing water for the existing GWF power plant. The Applicant believes the well has sufficient capacity to meet the needs of both the existing plant and the proposed Hanford Energy Park Project. Potable water and plant general service water would be obtained from the existing city domestic water supply connection. The estimated total annual water use by the Hanford Energy Park Project is 850 acre-feet. Approximately 82 percent of this water requirement would be for makeup water for the cooling tower. Water discharges would be collected in drains; routed for treatment to remove oil and grease, then routed to the Hanford Energy Park cooling tower basin. All discharge systems would be constructed and operated in compliance with applicable codes and regulations.

The Hanford Energy Park Project would be equipped with Best Available Control Technology (BACT) in order to control pollutant emissions. Emission control would be provided by dry, low-NOx combustors and Selective Catalytic Reduction (SCR) installed in the HRSG. The SCR system consists of the reduction catalyst and an aqueous ammonia injection system.

## Discussion:

No areas have been identified in the Environmental Checklist portion of the Revised Initial Study as having the potential for significant environmental impacts. Highlights of the environmental analysis and mitigation follow:

To mitigate potential air quality impacts, the Hanford Energy Park Project will utilize Best Available Control Technology and obtain emission offsets.

To mitigate potential impacts to biological resources and satisfy the U.S. Fish and Wildlife Service Section 10 requirements, the Applicant will purchase habitat credits from the existing Kern Water Mitigation bank.

To mitigate potential impacts to water resources, the Applicant will purchase water from the State Water Project and others to recharge the same aquifer from which groundwater is extracted by the on-site wells.

## Findings:

Based upon the entirety of the uncontroverted record in this proceeding, including the Small Power Plant Exemption Application, Applicant's data responses, the Energy Commission Staff's Draft and Revised Initial Study and Negative Declaration, and comments by agencies and others, the Committee makes the following findings:

- With the mitigation measures and Conditions of Exemption of the Revised Initial Study, incorporated by reference, and compliance therewith verified by a reporting and monitoring program, the Hanford Energy Park Project will cause no unmitigated significant environmental impacts or adverse impact to energy resources.
- 2. The Hanford Energy Park Project is eligible for the Small Power Plant Exemption under Public Resources Code section 25541 (amended 1999).
- 3. The Negative Declaration and Revised Initial Study were prepared in compliance with the California Environmental Quality Act and all applicable State and Commission Guidelines.

Dated: <u>2-23-01</u>	ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
/s/	/s/
MICHAL C. MOORE	ARTHUR H. ROSENFELD
Commissioner and Presiding Member	Commissioner and Associate Member
Hanford Energy Park SPPE Committee	Hanford Energy Park SPPE Committee